

Statement of Dr. Jayne Gray, President, Board of Directors, Inspire District Office

“In the 2014 - 2015 school year, when Dr. Nichols was engaged in launching Inspire schools, his salary was \$35,000 per year. At that time, Dr. Nichols sacrificed fair compensation because there was very little in terms of funding available to start a school, and his focus was on providing as much capital as possible to Inspire to provide appropriate resources to families and students.

“Following the inception of Inspire schools, the subsequent four years of phenomenal parent demand resulted in thousands of families enrolling their children. Years of very rapid growth coupled with annually delayed state ADA funding required Dr. Nichols to work extensively to meet the demands of rapid student enrollment. It was very important to the Board of Directors that, not only should compensation for the CEO position be commensurate with similar positions, but that Dr. Nichols specifically be reimbursed for previous underpayment. Therefore, while Dr. Nichols’ compensation was \$514,000 for the 2016-17 school year, for the five years in which he has served as CEO he has averaged approximately \$380,000 per year. In addition, Dr. Nichols is eligible for a 7.5% doctoral stipend in addition to his salary, as is every Inspire employee. Dr. Nichols’ current salary is \$380,000 per year. In setting this salary, the Board of Directors relied upon the 2018 GuideStar Nonprofit Compensation Report of comparable Los Angeles County positions. This report indicates that the median CEO salary is approximately \$280,000, the 75th percentile salary is approximately \$476,000 and the 90th percentile salary is approximately \$630,000.

“Finally, focusing narrowly on the salary of one person ignores the overall structure and spending for administration in the entire organization. According to data from the California Department of Education, the average unified school district with an ADA of over 20,000 students (the closest comparison to Inspire) commits 5.14% of its spending to administrator salaries. In contrast, for the 2017-18 school year, Inspire committed 3.67% of its spending to administrator salaries across the Inspire schools and district office. This reduced spending on administrator salaries results in more of Inspire’s resources being allocated to directly serving the needs of our students and families.”